

State of Rhode Island and Providence Plantations

BOARD OF ACCOUNTANCY

1511 Pontiac Avenue, Bldg. 68-2

Cranston, Rhode Island 02920

MEETING MINUTES

DATE: November 18, 2014

PLACE: Department of Business Regulation (DBR)

1511 Pontiac Avenue, Bldg 68-1 Conference Room

Cranston, RI 02920

**MEMBERS PRESENT: Chair Mary F. Bernard, Vice-Chair David Platt,
Secretary Kevin Fountain and Member Kevin P. Tracy**

MEMBERS ABSENT: Treasurer George Tashjian

**OTHERS PRESENT: Jenna Algee, Esq., DBR Legal Counsel (Present
from 1:35 p.m. – 3:15 p.m. and from 3:40 p.m. – 3:45 p.m.)**

**Lisa Pinsonneault, Attorney General's Office (Present from 1:35 p.m.
– 2:02 p.m.)**

Dawne Broadfield, Administrative Support Specialist

**(1) Call to Order – Chair Bernard called the meeting to order at 1:35
p.m.**

(2) Meeting Minutes (Review/Discuss/Take Action)

1. Acceptance of the October 21, 2014 Regular Session Meeting Minutes

Vice-Chair Platt moved to approve the open meeting minutes of October 21, 2014 as published. Secretary Fountain seconded. Motion passed, 3-0, three (3) in favor, one (1) abstained, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Member Kevin P. Tracy abstained as he was not present at the meeting. Treasurer George Tashjian were absent from this vote.

2. Acceptance of the October 21, 2014 Executive Session Meeting Minutes

Vice-Chair Platt moved to approve the executive meeting minutes of October 21, 2014 as published. Secretary Fountain seconded. Motion passed, 3-0, three (3) in favor, one (1) abstained, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Member Kevin P. Tracy abstained as he was not present at the meeting. Treasurer George Tashjian were absent from this vote.

3. Acceptance of the August 19, 2014 Executive Session Meeting Minutes

Vice-Chair Platt moved to approve the executive meeting minutes of August 19, 2014. Member Tracy seconded. Motion passed, 4-0, four

(4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

(3) National Association of State Boards of Accountancy (NASBA) matters – (Review/Discuss/Take Action)

Information was sent from NASBA and forwarded to all Board members prior to the meeting to include the following:

- a. NASBA – US Accountancy Licensee Database (ALD) Program Implementation – Rhode Island went “live” on November 6, 2014.**
- b. NASBA – CPAverify Program Implementation – Rhode Island went “live” on November 6, 2014.**

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c. NASBA – Annual Opt In / Opt Out Form for State Boards – Candidates Lists

Secretary Fountain moved to notify NASBA to Opt Out and not approve the release of candidate mailing address information.

Vice-Chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

d. NASBA – Enforcement Survey from the Enforcement Resources

Committee - Mrs. Broadfield will work with Chair Bernard to complete.
e. NASBA – 2014 Annual Meeting held in Washington, DC. –
Vice-Chair Platt attended. AICPA exam changes were discussed. It
was urged to complete the surveys sent.

(4) American Institute of Certified Public Accountants (AICPA) and
Rhode Island Society of Certified Public Accountants (RISCPA)
matters – (Review/Discuss/Take Action)

a. Comments from Robert Mancini, Executive Director, (RISCPA) – (1)
Status of Internship Opportunity with Roger Williams University. The
Board will request that the intern randomly audit the (Continuing
Professional Education) CPE certificates. It will be important for the
intern to understand the CPE Regulation and therefore be able to
conduct the CPE Audit. (2) The January 20, 2015 Board meeting will
be held at the RISCPA office. (3) The RISCPA event will be held at
the Omni on January 22, 2015. (4) The Center for Business Education
(CBE) is a very helpful tool. (5) At the AICPA Council meeting,
RISCPA came on top of the survey conducted of all state societies.

(5) Public Company Accounting Oversight Board (PCAOB) –
(Review/Discuss/Take Action)

a. Review of Notification(s) Received – BDO USA, LLP, KPMG LLP,
Wolf & Company, P.C .– The Board reviewed and noted for
information only.

(6) Consideration of approval of the following initial applications for

certification – (Review/Discuss/Take Action)

Cara Forgit Kathryn Lacasse

Alyssa Hernandez Carissa Schneider

Andrew Kelly Joseph Testa

Member Tracy moved to approve the initial applications for Cara Forgit, Alyssa Hernandez, Andrew Kelly, Kathryn Lacasse, Carissa Schneider and Joseph Testa for certification. Vice-chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

(7) Consideration of approval of the following reciprocity applications for certification – (Review/Discuss/Take Action)

David William Almonte

Secretary Fountain moved to approve the reciprocity with North Carolina application for David William Almonte for certification. Member Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

(8) Consideration of approval of the following reinstatement applications – (Review/Discuss/Take Action)

JoaQuim J. Galvao (2545) – pending for completion of continuing professional education (CPEs) - Upon receipt of the completed CPEs,

Member Tracy moved to approve the reinstatement application for JoaQuim J. Galvao (2545). Vice-Chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

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Brian D. Smith (2249) – Held from last month

Vice-Chair Platt moved to approve the reinstatement application for Brian D. Smith (2249). Secretary Fountain and Member Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

Ralph A. Palumbo (1946) Glen John Valeff (2128)

Member Tracy moved to approve the reinstatement application for Ralph A. Palumbo (1946) and Glen John Valeff (2128). Secretary Fountain seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy.

Treasurer George Tashjian was absent from this vote.

(9) Old Business: (Review/Discuss/Take Action)

a. Development of Board's Newsletter - Mr. Tracy is monitoring with NASBA communication and outreach.

b. Regulations Merger – The Board's Regulations are being merged into one (1) document. There was no update at this time.

c. Recording Meetings – The Board took this under advisement. Lisa Pinsonneault from the Attorney General's Office gave a presentation to the Board relating to the "Open Meetings Act (OMA).

d. Legislative Proposals –

• Items to be Addressed –

(1) To address and streamline the hearing procedures to match the other Boards.

(2) To adopt new model language from the Uniform Accountancy Act (UAA) Seventh Edition for the "Firm Mobility."

(3) To adopt new model language from the Uniform Accountancy Act (UAA) Seventh Edition for the "Attest Definition."

• Items for Statutory Review –

(1) No procedure for a "Rhode Island Resident" to obtain Reciprocity.

(2) Successful completion of the AICPA Comprehensive Course Ethics Exam with a grade of 90% or better.

(3) Statute §5-3.1-9(b)(1) – The statute does not address Corporations and Sole Proprietorships.

(4) Are webinars considered live? – An inquiry will be sent to NASBA.

There was no update on the legislative proposals at this time.

(10) New Business: (Review/Discuss/Take Action)

- a. Report of Mayer Hoffman McCann P.C. – The Board reviewed and will put a “Warning Flag” on the record for monitoring.**
- b. No new business at this time.**

(11) Next Meeting Date: (Review Discuss/Take Action)

- a. Michelle A. J. Luizzi CPA, Practice Unit #S2294 – Recalling Peer Review – The Board noted and will put a “Warning Flag” on the record for monitoring.**
- b. The regularly scheduled meeting on Tuesday, December 16, 2014 is canceled. The next meeting of the Board is scheduled for Tuesday, January 20, 2015.**

(12) Executive Session

Secretary Fountain moved to convene into Executive Session at 3:15 p.m. pursuant to RI General Laws §42-46-5(a)(4) for investigative proceedings regarding allegations of civil or criminal misconduct. Vice-Chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

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Secretary Fountain moved to adjourn from Executive Session and to reconvene to an open meeting at 3:45 p.m. pursuant to RI General Laws §42-46-4. Vice-Chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

Secretary Fountain moved to seal the minutes of the executive session and record the votes taken in Executive Session in accordance with RI General Laws §42-46-4 and §42-46-5. Vice-Chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

Secretary Fountain moved to record the votes in Executive Session in accordance with RI General Laws §42-46-4 as follows. Vice-Chair Platt seconded. Motion passed, 3-0, three (3) in favor, two (2) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, and Secretary Kevin Fountain. Treasurer George Tashjian and Member Kevin P. Tracy were absent from this vote.

Record of Votes taken in Executive Session.

- One (1) complaint alleging after the Internal Revenue Service (IRS) Audit complaint found that funds were deducted out of checking account without complainant's authorization. Vice-Chair Platt moved to send a letter a letter dismissing the complaint and close. Secretary Fountain seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.
- One (1) complaint alleging accountant has failed to provide customers with service. The draft return changed from the final return. This matter has been tabled for another month.
- One (1) Practice Unit Renewal Application received a "failed" peer review. NEPR Letter received August 25, 2014. Mr. Tracy moved to approve the renewal application and close. Vice-Chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.
- One (1) complaint alleging the person did not complete her taxes properly and that she now owes \$4300 to the IRS. This person is advertising boldly on his signboard at his business location that he is a CPA. His CPA license expires June 30, 1998. Mr. Tracy will send out the "standard form letter" that the Board uses for "cease and desist."
- One (1) complaint alleges that the Public Accountant (PA) defrauded

the complainant. This matter was tabled as Mr. Tashjian was not present.

- One (1) CPA license reinstated that was “inactive.” It came to the Board’s attention that the CPA license was previously suspended. The Board requested a written explanation of that suspension and all related documents for Board review. The matter was tabled for an update from Attorney Savage.

- One (1) CPA Application for Individual Permit to Practice Public Accounting for the period ending June 30, 2017 was received with disciplinary action noted. Final documentation received via e-mail on November 17, 2014. Vice-Chair Platt moved to approve the renewal application and close. Mr. Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

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- One (1) inquiry as to a person holding himself and a firm out to be a CPA. Vice-Chair Platt moved to take no action, remove and close. Mr. Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1)

absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

- One (1) matter brought to the Board's attention of an article that appeared in the Portsmouth Times who is not currently licensed. Upon review with Attorney Algee, Vice-Chair Platt moved to approve the reinstatement application of Brian Smith. Secretary Fountain and Mr. Tracy seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

- One (1) CPA was indicted on sixty-six (66) counts and charged with stealing identities of the terminally ill and elderly. The CPA plead guilty to two (2) of the charges. This matter was tabled for an update from Attorney Balasco.

(13) Adjournment

Kevin Tracy moved to adjourn at 3:46 p.m. Vice-Chair Platt seconded. Motion passed, 4-0, four (4) in favor, one (1) absent. Voting in favor were Chair Mary F. Bernard, Vice-Chair David Platt, Secretary Kevin Fountain and Member Kevin P. Tracy. Treasurer George Tashjian was absent from this vote.

Respectfully submitted,

Kevin M. Fountain, CPA

Secretary

KMF/dmb

- **Posted on January 21, 2015 electronically on Secretary of State's Office website. Pursuant to the Open Meetings Law, R.I. Gen. Laws Sec. 42-46-6(b), business not included in this notice may be considered with the consent of the majority of the members, and/or may convene into Executive (closed) Session pursuant to R.I. Gen. Laws Sec. 42-46-5.**